

CITY OF ALAMO HEIGHTS  
CITY COUNCIL  
July 16, 2008

A special meeting/work session of the City Council of the City of Alamo Heights, Texas was held at the Council Chambers, 6120 Broadway, at 8:30 a.m. on Wednesday, July 16, 2008.

Present and composing a quorum were:

Mayor Louis Cooper  
Councilman Stan McCormick  
Councilman Bobby Rosenthal  
Mayor Pro-Tempore Jill Souter  
Councilman Bill Kiel  
Councilwoman Susan Harwell

Also attending were:

City Manager Rebecca Waldman  
Assistant to City Manager/Information Technology Manager Marian Ramirez  
Human Resource Manager/Deputy City Secretary Judith E. Surratt  
City Secretary Denise M. Silva  
Public Works Director Shawn P. Eddy  
Community Development Director Ann McGlone  
Police Chief Rick Pruitt  
Fire Chief Bill Hagendorf

Absent:

City Attorney Mike Brenan  
Finance Director Cynthia Barr

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Mayor Louis Cooper called the meeting to order at 8:50 a.m.

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City Manager Rebecca Waldman stated that staff would be presenting a summarized version of the FY 2008-09 proposed operating budget with highlights of each department's goals, action steps, performance measures and proposed improvements. Ms. Waldman mentioned that Finance Director Cynthia Barr was out of town and unable to attend the work session. Ms. Waldman thanked staff for their input and hard work in providing the performance measures and department goals and objectives. Ms. Waldman thanked Mayor Pro-Tem Jill Souter and Councilman Bill Kiel, who serve on the Accountability and Management Committee, for their assistance and direction in the budget process.

Public Works Director Shawn Eddy showed a powerpoint presentation which summarized the FY 2008-09 proposed operating budget. Mr. Eddy explained that the proposed budget document will be arranged into the following six sections: 1) General Information, 2) Budget Summary, 3) Revenues, 4) Fund Statements, 5) City Departments

and 6) Appendix. Mr. Eddy reviewed the fiscal and budgetary policy and noted that one of the key changes to this year's proposed budget is the city's new fiscal year from October 1 to September 30.

Mr. Eddy presented charts showing the proposed General Fund departmental allocations and proposed General Fund revenues. Mr. Eddy provided a summary of the proposed budget for the General Fund showing totals for revenues, other funding sources, departmental allocations and transfers. Mr. Eddy explained the budget summary information which showed the proposed base budget, one-time expenditures, recurring expenditures and performance pay expenditures for the FY 2008-09 operating budget. Mr. Eddy noted that the total proposed expenditures exceed the total projected revenues for FY 2008-09. Mr. Eddy explained that one of the reasons the net ending balance on the proposed budget is lower than previous budget years is due to the change in the fiscal year which was formerly from April 1 to March 31. Since the majority of taxes tend to be collected within the first quarter of the calendar year, previous budgets showed a higher net ending balance.

Mr. Eddy stated that the Utility Fund is in good shape and should be utilized more in sewer and water improvements. New this year is the Capital Replacement Fund which provides for the purchase of substantial equipment and vehicles. Mr. Eddy reviewed highlights of the Program Changes as well as the summary of authorized positions by department.

During discussion, Councilwoman Jill Souter stated that Texas Municipal League (TML) is encouraging cities to pass a resolution to support legislation on a fuel surcharge. Councilwoman Souter explained that if passed by legislation, a fuel surcharge could be added to traffic violation fines to offset fuel costs for the police department. Councilwoman Souter requested staff to look into the issue of fuel surcharges and find out what the city can do to support legislation.

Mr. Eddy reviewed the functions, organizational chart, mission statement, program information, goals and objectives, action steps and summarized performance measures of the Administration and Finance Department. Projected revenue for the department includes an increase to the return check fee. Proposed improvements for the Administration and Finance Department include Information Technology improvements which are one-time or initial setup costs. Mr. Eddy presented the proposed appropriation of funds to provide performance pay to employees. Mr. Eddy also explained several proposed changes to employee benefits including conversion of vacation leave to annual leave, implementation of personal leave and personal leave buy-back, conversion of sick leave to banked sick leave, and limiting the accrual of compensatory time.

Community Development Director Ann McGlone briefed City Council on the responsibilities, organizational chart, mission statement, program, goals and objectives, action steps and performance measures of the Community Development Department. Ms. McGlone explained the proposed improvement for the development of the Comprehensive Plan.

Mr. Eddy reviewed the functions, organizational chart, solid waste schedule and staffing, mission statement, program information, goals and objectives, action steps and

performance measures of the Public Works Department. Mr. Eddy informed City Council of a house bill passed by the Texas legislature allowing cities to levy a street maintenance sales tax. Mr. Eddy stated that the funds from this measure would be dedicated to street maintenance and repair. Mr. Eddy stated staff will be recommending City Council approve an ordinance to place the initiative on the November 4, 2008 ballot. Two proposed improvements for the Public Works Department include the addition of an equipment operator and implementation of a multi-family and commercial solid waste program.

Mayor Cooper commented on residents' support of the recycling program and inquired if additional or larger containers could be provided to residents. Mr. Eddy stated he would look into the situation.

Mr. Eddy proceeded to provide the goals and objectives, action steps and performance measures for the Public Works – Utilities Division. Proposed is conversion of the water supply acquisition fee to a conservation fee. Mr. Eddy informed City Council that recent changes made by Texas State Legislature restored water rights previously owned by the City of Alamo Heights and eliminates the need to acquire additional water rights. Conversion of the existing acquisition fee is proposed in order to generate funds to implement a Water Conservation Plan and other conservation efforts to be developed later in the year and maintain an adequate water supply for future generations. Proposed improvements include the addition of a utility technician, preventative maintenance of sanitary sewer mains and differential pay for non-exempt Utility Division staff.

During discussion, Councilman Bill Kiel noted that funding to install fluoride in the city's water system was not in the proposed budget. Councilman Kiel commented that staff has investigated the issue and found the cost to implement fluoridation to be significant. Councilman Kiel requested revisiting the issue of fluoridation in order for City Council to address the issue or repeal the ordinance. Ms. Waldman stated that the fluoridation issue may be placed on the August 25, 2008 City Council meeting agenda for discussion.

Fire Chief Bill Hagendorf briefed City Council on the responsibilities, organizational chart, mission statement, program, goals and objectives, action steps and summarized performance measures of the Fire/EMS Department. Fire Chief Hagendorf reviewed State mandates requiring equipment inspections and the upgrade of public safety radio system for Fire radios. Proposed improvements for the Fire Department include the addition of three firefighters, regrade of firefighters, driver/operator certification incentive pay and capital firefighting equipment. Proposed improvements for EMS include paramedic training, purchase of a heart monitor and the transfer of two firefighter/paramedics to the EMS Division.

Police Chief Rick Pruitt reviewed the functions, organizational chart, mission statement, program information, goals and objectives and action steps and performance measures. Police Chief Pruitt reviewed a mandate concerning the upgrade of the public safety radio system for Police radios. Proposed improvements for the Police Department include the addition of two full-time patrol officers, regrade of police officers, regrade of dispatchers and dispatch supervisor, communications certification incentive pay, upgrade of two full-time patrol officers to corporals, instructor incentive pay and capital police equipment.

There was City Council discussion with staff concerning the proposed budget. Councilwoman Susan Harwell requested a department staff contact list with phone numbers and email addresses. Mr. Eddy indicated that staff will provide City Council members with contact information.

Ms. Waldman reviewed the time line for the remainder of the budget process. Ms. Waldman stated staff will be finalizing the proposed budget for the next City Council meeting on August 11, 2008.

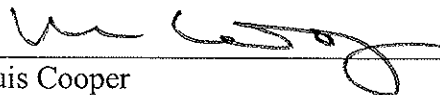
(A copy of the FY 2008-09 Proposed Operating Budget presentation is made part of the official papers of this meeting.)


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Mayor Cooper adjourned the work session at 1:15 p.m.

  
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Louis Cooper  
Mayor

  
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Denise M. Silva  
City Secretary